

WORKSHEET for 2003/2004 Business License Gross Receipts Report



Download the Excel Tax Wizard...and let your PC do all of the calculations.

To use *The Wizard* you will need:

- 1) Microsoft Excel Spreadsheet
- 2) Your business info and numbers
- 3) A printer

Taxwizard.Chattanooga.Gov

WORKSHEET INSTRUCTIONS—Copy your amounts onto the blank that is provided below. When you complete this worksheet, you can transfer the amounts to the corresponding lines on your tax form.

Line 1 Enter the total amount of gross receipts (excluding sales tax collected) for your tax period. 1) _____

Line 2 Schedule A on the back side of the tax report will lead you through deductions categories which will reduce your taxable gross. Complete sections A, B and C. 2) _____

Line 3 Subtract the amount on Line 2 from the amount on Line 1. This new amount is your "Taxable Gross." 3) _____

Line 4 Separate your Line 3 Total into two parts. 4(a) is the amount that was retail/service, and 4(b) is the wholesale amount.

4(a) _____

4(b) _____

Line 5 Divide 4(a) by your Line 3 amount. Multiply by 100. This is your retail percentage. 5(a) _____

Divide 4(b) by your Line 3 amount. Multiply by 100. This is your wholesale percentage. 5(b) _____

→ **Take a Break** Review the amounts you wrote down for 5(a) and 5(b). If both amounts are at least 20%, complete Line 6; however, if either 5(a) or 5(b) is less than 20%, SKIP to Line 7.

Line 6 Multiply 4(a) by the Retail/Service Tax Rate from the "Tax Rate Table" on the tax form.

6(a) _____

Multiply 4(b) by the Wholesale Tax Rate (see "Tax Rate Table.") 6(b) _____

Add Lines 6(a) and 6(b) This is your "Total Tax Due." Enter the amount here and on Line 8. (Skip Line 7.) 6(c) _____

Line 7 (Only complete this line if you DID NOT complete Line 6.) Which percentage is greater, 5(a) or 5(b)? If 5(a) is greater, you will use the Retail Tax Rate in this step. If 5(b) is greater, you will use the Wholesale Tax Rate. (See "Tax Rate Table" on tax form.)

Multiply Line 3 by your Tax Rate—either retail or wholesale as described above. Enter the amount here and on Line 8.

7) _____

Line 8 Enter amount from either Line 6 or Line 7. (If you are unsure, re-read *Take a Break* to determine whether you are to use Line 6 or Line 7.) 8) _____

Line 8 is the Total Tax Due for the previous tax period. Final calculations pertain to four things: 1) credits, 2) penalty and interest due to late filing, 3) collection and recording fee, and finally, 4) payment of your minimum tax for your new tax year

Line 9

Line 8 x .6667 = 9(a) _____

Line 8 - 9(a) = 9(b) _____

Line 10 Enter your current business license number on your tax form and enter \$15 per license on 10(a). 10(a) _____

If you paid Personal Property Tax to the **CITY OF CHATTANOOGA**, enter your Bill # and the date the tax was paid to your **City Treasurer** on your tax form. Enter the amount of the tax on Line 10(b).

10(b) _____

10(a) + 10(b) = 10(c) _____

Line 11

9(a) - 10(c) = 11 _____

(If less than zero, enter zero.)

If your return is not delinquent SKIP to Line 14.

Are you filing past the delinquent date?

Locate the "Delinquent" date on your tax form.

Penalty is based on number of days delinquent.

0 days	no penalty	61-90 days	15%
1-30 days	5%	91-120 days	20%
31-60 days	10%	121 days or more	25%

Use the percentage above to calculate penalty in Line 12.

Line 12 There are two steps necessary to determine penalty owed.

A) Multiply Line 11 by the penalty rate from table above. **12(a)** _____

B) Follow the steps below to determine 12(b):

$$\begin{array}{r} \text{Line 11} \\ + \quad \text{Line 9(b)} \\ \hline \times \quad \text{penalty rate} \\ \hline - \quad \text{Line 12(a)} \\ \hline \text{12(b)} \end{array}$$

Line 13 If penalty is due, then interest must also be calculated.

A) Multiply .000226 by the exact number of days delinquent, then multiply by Line 11:

13(a) _____

B) Multiply .000226 by the exact number of days delinquent, then multiply by Line 9(b):

13(b) _____

Line 14 Subtotal

A) Add Lines 11, 12(a) and 13(a):

14(a) _____

B) Add Lines 9(b), 12(b) and 13(b):

14(b) _____

(If less than zero, enter zero.)

Line 15 Combine State and Local Subtotals

Add Lines 14(a) and 14(b):

15) _____

Line 16 Collection/Recording Fee (per location)

16) **\$5.00**

Line 17 The minimum tax for the new business period is \$15 for each license being renewed. **17)** _____

(If this is a FINAL REPORT leave Line 17 blank and SKIP to Line 20.)

If your return is not delinquent SKIP to Line 20.

Line 18 Penalty is due on the line 17 amount based on the number of days delinquent. Multiply Line 17 by the same percentage rate you used on Line 12 **18)** _____

Line 19 Interest is also calculated on line 17 based on the number of days delinquent. Multiply .000226 by the exact number of days delinquent, then multiply by Line 17: **19)** _____

Line 20

Total Tax Due—Add Lines 15, 16, 17, 18 and 19: **20)** _____

IMPORTANT—The law only requires you to maintain a business license when annual gross receipts are \$3,000 or greater. If you no longer need to maintain a license, please complete this return as a "Final Report" and enclose a written statement explaining your situation. Should your business increase and you exceed the \$3,000 minimum, it is your responsibility to reapply for a license. Failure to comply could result in penalty and interest accruing from the time that the \$3,000 gross was reached.

Three Reasons to Contact the City Treasurer's Office:

- 1) Your business closes—You will need to file a final report.
- 2) When you have changes in your business information during the year.
- 3) If a change of ownership occurs. Business licenses are nontransferable.

(423) 757-5195

The Excel Tax Wizard can help.
It's FREE, and you can download it at

Taxwizard.Chattanooga.Gov